

West Germany and Poland

The docile West German reaction to the crackdown in Poland is a disturbing measure of the cracks in the Western alliance.

Italian Communist Party has been more forthright than the usually outspoken West German Social Democrats...

For all that, Schmidt made no visible headway on his main mission in East Germany.

He seems willing to risk even failure on that score if the Communist East will help him create an atmosphere...

Reinforced by a lively trade and banking business, this fascination with the East has obviously weakened the West's diplomacy...

Just how afraid was obvious two weeks ago when Polish Communists opened the war on their own people...

The chancellor's criticism of the Poles since then has been perfunctory.

THE NEW YORK TIMES

At Fault — Solidarity, or Communist Unrealism?

NEW YORK — It is too early to apply the historian's detachment to the questions of whether and how the Polish tragedy could have been avoided.

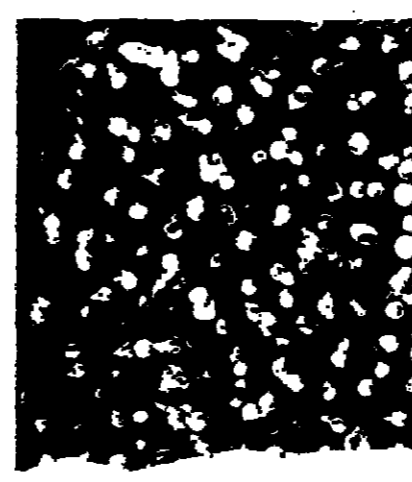
Solidarity was born of a violent protest by a society governed against its will and deprived of the possibility of dissent.

Having its efforts on the Yugoslav model of a market economy, workers' self-management and local self-government, Solidarity sought democratic control...

Not did economic reasons justify the risks of intervention by proxy. The Polish

By Jaroslav Anders

economic and social reforms in Hungary, and stimulated a similar process in other satellite states.



Z. Ross

totalitarian machine. There are good reasons to believe that this "solution" of the Polish problem was prepared from the moment Solidarity emerged...

The recent coup was not motivated by security considerations. No Soviet military interests were threatened.

People saw their hopes and ambitions cynically betrayed. No matter what scenario for the future the rulers of Poland may have...

For centuries, the survival of the Polish nation has depended on memory.

Today we hear about reckless acts of violence and resistance that give evidence of extreme emotions.

The reason for crushing Poland's liberal movement was not excessive demands by Solidarity but the spirit of freedom...

A system based on the suppression of the natural longings of men is always insecure. Its insecurity has nothing to do with armies, economic problems...

The writer, a Polish journalist and a visiting scholar at the New York Institute for the Humanities, contributed this comment to the Los Angeles Times.

Washington and Managua

The Reagan administration has objected to Nicaragua's military buildup and to its provocative purchase of Soviet-bloc weaponry.

Hector Fabian, a Cuban-born leader of one such private army, puts the legal point frankly: "Under the Carter and Nixon administrations, what we were doing was a crime."

order administration sets a peculiar example. Allowing a base on American soil for military operations against another nation is a violation of international law...

Americans are right to ask Nicaragua to keep its weapons out of its neighbors' affairs. And Nicaragua is surely right to insist that the United States do the same.

By winking at these activities, a law-and-order administration sets a peculiar example. Allowing a base on American soil...

THE NEW YORK TIMES

A Simpleminded Old Nostrum, but It Remains Murderous

WASHINGTON — It may not seem to be a topic for the Christmas holidays, but in a way none could be more so.

Few things are more depressing now than the evidence, reported in newspapers from week to week, that anti-Jewish feeling persists across the world.

Year in and year out, it goes on and on. We can rely on our Christendom for this. Wherever there are difficulties, take comfort, and blame — why, of course, the Jews.

Criticism of Israel brings in its train the code words by which it is transmuted into anti-Zionism and then into anti-Semitism.

By Henry Fairlie

other conspiracies grow in the soil. If the Jews are conspiring, who may not be conspiring? Once released the idea that some difficulty which besets us is the result of a plot, and we quickly find that the existence of a plot can explain all our difficulties.

I do not see how anyone can deny that the atmosphere is now thick with theories of conspiracy. Americans do not just confront the Soviet Union, it seems, they confront everywhere a Communist conspiracy.

In defense of Independent Israel

By William Safire

Whether the Haig suspension was a calculated rebuff or a provocative blunder, it was the most stinging slap in the face administered to any U.S. ally in recent history.

So Menachem Begin gave Ronald Reagan a piece of his mind, and I say good for him. Yes, the rhetoric was excessive — I don't want Reagan or Begin defining my loyalties as American or Jew — but the scale of the Reagan insult made the heartfelt blast understandable.

Sound Advice on Energy

In the crucial field of energy research and development, the Reagan administration's priorities are badly skewed.

This panel gives heavy representation to industry and engineering. The chairman is John S. Foster Jr., a nuclear physicist, who was the Defense Department's chief scientist a decade ago...

funding ought to be cut. In contrast, the fragmented construction industry has very little ability to develop technology, and here an increase in federal support is important.

As for nuclear power, the panel correctly calls for more support for the current generation of light water reactors. In this field, the top priority is a federal program to dispose of radioactive waste.

This report gives extraordinary emphasis to the urgent need for research on the climate and the effects of the increasing loads of carbon dioxide in the atmosphere.

This advice is clear, well-informed and convincing. It represents a very considerable departure from the administration's current allocations of funds for energy research.

THE WASHINGTON POST

Other Opinion

Tokyo Approves Bonn on Poland

Most people in the Western world feel that the Polish crisis must not be permitted to develop into a global crisis.

showed signs of greater restraint than expected," as Foreign Ministry sources put it.

It goes without saying that a military government is not desirable. But the realism of the West German government is worthy of consideration.

From the Asahi Evening News (Tokyo).

Letters

Yalta Syndrome

World War II started in 1939 over Gdansk. After five and a half years of a struggle that left some 30 million dead...

Sakharov's Gift

My hope in the future revives when the human spirit proves stronger than all the weapons of Soviet power.

R. MERRIMAN

Dec. 29: From Our Pages of 75 and 50 Years Ago

1906: Autocracy in Tehran

PARIS — Today's editorial in the Herald reads: "Although the Persian Legation in Paris was enthusiastic over the friendly disposition of the crown prince, or Valiahd, toward constitutional government, it is plain that he had a still more friendly disposition toward the autocratic form."

1931: Honjo's War Machine

SHANGHAI — Complete occupation of Manchuria by the Japanese Army is a matter of days. Generalissimo Honjo is sweeping everything before him.

Advertisement for the International Herald Tribune, listing staff members like John Hay Whitney, Katharine Graham, and Arthur Ochs Sulzberger.

Wallich Sees Growing Risk Of Inflation

Fed Member Warns Against High Deficit

WASHINGTON — Federal Reserve Board member Henry Wallich said Monday that the very tight budget deficits the United States faces will cause inflation...

Shock Effect Mr. Wallich said deficits are causing a temporary shock to the economy. The resulting higher interest rates would cause the velocity of money to increase...

Unmonetized deficits also promote inflation because the high interest rates they produce impede investment and increase the economic costs of maintaining a restrained monetary policy...

Alternatives Alternative financial measures, such as bank reserves or the monetary base, might become the target of monetary policy...

Mr. Solomon noted there has been a sharp divergence between the growth of the narrow money measures (M-1) and the broader measures (M-2 and M-3) this year, largely due to "the ongoing process of financial innovation."

Polish Crisis Deepens The Sinking Feeling In Chicago Grain Pits

By H.J. Maidenberg

NEW YORK — Whatever the outcome of the events in Poland in economic terms, U.S. grain farmers already have paid a heavy price...

Grain and soybean cash and futures prices have tumbled in those two weeks. Using the active near-March Chicago contracts as a yardstick, wheat fell to \$3.89 a bushel from \$4.13 in the two weeks...



Commodities traders making offers to buy and sell in the grain pit of the Chicago Board of Trade.

while the loan rate at which farmers may pawn their grain is \$3.20. The federal interest rate on the pawned grain is 14.5 percent a year...

In June, 1973, former President Richard Nixon, reacting to a possible shortage of soybeans, embargoed exports of the oilseed and caused panic buying by Japan...

Small Bank in West Germany Steps Firmly Into the Future

By John Tagliabue

HAMBURG — Upstairs, its stuffed leather armchairs and oak wainscoting make it look like any one of the small private banks that for years have financed this port city's shipping industry...

Verbraucherbank customers who live in Dusseldorf or West Berlin, where the Bonn government is now testing its videotex system, called Bildschirmtext...

14,000, only 53 "manual" accounts remained. Transactions that continue to evade total automation include cash deposits and issuance of personal checks...

Rise in West German Prices Slowed Further in Month

WIESBADEN, West Germany — West German inflation slowed in December, with retail prices increasing a provisional 0.3 percent...

The cost-of-living index stood 6.3 percent higher than in December, 1980. The index has gained a provisional 5.9 percent this year after a 5.5 percent increase in 1980...

United States Great Atlantic & Pacific Tea and Groc. 1981 1980 Revenue... 1,670. 1,740. Net Loss... 4.92 7.76

NYSE Prices Slip; Money Supply Decreases

NEW YORK — Prices on the New York Stock Exchange closed down in light trading Monday as investors moved out of the market ahead of the weekly money supply figures...

'There would be a slight increase in the M-1 measure of the money supply, which would have lent credence to investors' perceptions that interest rates will not ease further over the near term...

The volume leader was Reliance Group, up 1/8 to 93 3/4. Also active were Exxon, off 1/8 to 30 3/4. General Motors, unchanged at 38 1/2.

Markets Closed

All financial markets were closed Monday in Australia, Britain and Canada for Boxing day.

Table with columns for Currency, Par, and various rates. Includes sub-sections for Dollar Values and Currency Rates.

Table titled 'AKENI' showing 'Service to the Individual' with columns for Currency, Par, and U.S.S. Includes sub-sections for Currency Rates and Dollar Values.

Japanese Surplus On Trade Plunges

From Agency Dispatches

TOKYO — Japan's merchandise trade surplus narrowed sharply in November to \$613 million, about the same level as a year earlier...

The current account, which includes merchandise trade as well as so-called invisibles such as spending on tourism, freight and insurance charges, turned into a deficit of \$1.06 billion from a \$1.78-billion surplus in October...

Japan's overall balance of payments, which includes current account as well as long- and short-term capital accounts, swung into a \$376-million surplus in November from a \$1.45-billion deficit in October...

INTERNATIONAL EXECUTIVE OPPORTUNITIES LEADING INTERNATIONAL COMPANY seeks EXPORT SALES MANAGER Location: Tunis Salary: about \$35,000 plus housing, car, etc.

ARGENTINE REPUBLIC EXTERNAL U.S. \$ BONDS THE WESTON GROUP makes a market in all series

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NYSE Nationwide Trading Closing Prices Dec. 28

Tables include the nationwide prices up to the closing on Wall Street.

Table of NYSE Nationwide Trading Closing Prices Dec. 28, listing various stocks with columns for 12-month high/low, stock name, and closing price.

AMEX Nationwide Trading Closing Prices Dec. 28

Tables include the nationwide prices up to the closing on Wall Street.

Table of AMEX Nationwide Trading Closing Prices Dec. 28, listing various stocks with columns for 12-month high/low, stock name, and closing price.

U.S. COMMODITY PRICES

U.S. COMMODITY PRICES section containing sub-tables for Chicago Futures, New York Futures, Cash Prices, Commodity Indexes, Dividends, Monday's New Highs and Lows, Domestic Films, and International Monetary Market.

AMEX Nationwide Trading Closing Prices Dec. 28 (continued) section containing multiple columns of stock data from the AMEX exchange.

Gold Options (prices in \$/oz.) table with columns for price, bid, ask, and average.

European Options Exchange logo and contact information.

WALL STREET REPORT logo and contact information.

Handwritten signature or initials at the bottom of the page.

Looking for a Tax Haven? How About Nauru?

By Barry Kramer

NEW YORK — Enthusiasm by U.S. citizens or tax havens around the world is likely to increase in 1982.

Beginning on the first of the year, Americans living abroad no longer have to pay U.S. taxes on a hefty portion of their overseas income. Under the Economic Recovery Tax Act of 1981, Americans abroad will be exempt from U.S. taxes on as much as \$75,000 of earned income, more if they spend a lot of overseas housing.

"On a theoretical basis, the new tax law could trigger people to go overseas," said Richard M. Hammer, national director of international tax services for Price Waterhouse. "But as a practical matter," he warned, "there aren't many low-tax countries where people could go to live, conduct business and make money."

Mr. Hammer conceded that some individuals might receive a tax benefit by moving overseas. These might include doctors, lawyers, accountants, international financial experts, tax consultants, bankers, writers, journalists, artists, self-employed businessmen, commercial pilots, technicians, professors and even soldiers of fortune.

Taking advantage of the overseas tax exemption will not be easy for Americans. They must be prepared to exit themselves from the United States for 330 days out of every 12 months. The tax exemption applies only to "earned" income, and not to interest, dividends and other "unearned" income. Pensions also do not qualify. The new tax law does not benefit super-earners, either. Americans with an income of several hundred thousand dollars a year could probably find

tax shelters at home to more than match the \$75,000 exclusion on foreign earnings [which increases in \$5,000 annual steps to \$95,000 in 1986].

Places that do not levy any personal income tax include Bermuda and the Bahamas. On the other side of the world, there is Vanuatu, the former New Hebrides once owned by France and Great Britain, in the southwest Pacific.

The Channel Islands between Britain and France, including Jersey, Guernsey and Alderney, levy a low 20 percent income tax. But, wary that a large influx of foreigners could disrupt the fragile island economies, officials impose restrictions on foreign businessmen. Sark, another member of the island group, has no income tax.

No-tax countries include many of the Gulf states — Saudi Arabia, Bahrain, Kuwait, Qatar and the United Arab Emirates.

Nauru, on a per-capita basis one of the world's richest nations because of its vast deposits of guano [bird droppings mined to produce chemicals for fertilizer], has no income tax. But the South Pacific nation does not allow many foreigners to settle down for more than two years.

Irish Artists

Sri Lanka used to have a tax-free "resident gift scheme" for prominent foreign artists, writers, doctors, architects and others. But applications by foreigners are no longer being accepted. "We had a lot of applications from certain subversive elements who were abusing it," said an embassy spokesman in Washington.

On the other hand, Ireland's special tax program for creative artists of all types is still very much alive. Writers, artists, composers and

others who are adjudged "creative artists" by the Irish Revenue Commission [and who live solely in Ireland] qualify for tax-free status on all income arising from their creative work.

Another European tax haven is Monaco, which does not levy any tax on personal income.

Also in Europe, several countries have tax rates and exemptions for foreigners. Switzerland not only has lower rates than many countries but also grants a 10 percent deduction to foreign managers. Britain taxes foreign employees on only half their income for nine years, while Belgium allows a 30 percent deduction and the Netherlands 35 percent. The exemptions apply only to employees of foreign concerns in Britain, Belgium and the Netherlands.

Several South American countries, including Paraguay and Uruguay, have no personal income tax. Venezuela, where living conditions are better, charges less than 10 percent on incomes of as much as \$35,000 and less than 20 percent on incomes as great as \$120,000. There are also deductions.

But when talking of areas that combine low taxes and good business environments, most conversations come around to Hong Kong. The maximum tax rate, no matter how high a person's income, is 15 percent.

And if a foreign resident has regional responsibilities, there is no tax on that portion of income earned while outside Hong Kong.

Hong Kong's main disadvantage is that living accommodations are incredibly expensive. But the new U.S. tax law covers part of that. In addition to the \$75,000 exclusion, housing expenses above a certain level [about \$6,100 a year in 1982] can also be excluded. That includes rent, furniture rental and utilities.

U.S. Action Could Be Boon to Gas Producers

By Gary Putka

NEW YORK — Many investors appear to have ignored a potential pricing bonanza for natural gas producers from action taken last week by the U.S. Energy Regulatory Commission.

While Wall Street has been following closely the talk of legislative initiatives that would speed decontrol of gas prices, it paid little attention to the commission's moves, which could have a profound impact on the prospects for "deep gas" drills.

Previously, gas was considered "deep" if it came from depths below 15,000 feet. As a production incentive, the government has allowed that gas to be priced at whatever the market would bear. The market is bearing about \$9 a thousand cubic feet, or more than four times the price of most regulated gas, which comes from levels above 15,000 feet.

With total deregulation of the pricing structure under consideration in Washington, companies with a big part of their total production in deep gas have suffered in the stock market. The reasoning: In a completely free market, gas would be priced somewhere between the average regulated price of \$2.09 and the unregulated price of \$9 per thousand cubic feet. Because deep gas costs more to drill, investors see margins narrowing for deep gas producers with total decontrol.

Congress Urged to Reject Watt's Plan

WASHINGTON — Congress should reject Interior Secretary James Watt's plan to expand the federal program for offshore oil and natural gas leases, two Democratic congressmen said Monday.

The congressmen, Rep. John Dingell of Michigan and Rep. Toby Moffet of Connecticut, also released a study by the General Accounting Office that said the Interior Department made the change in offshore leasing program with little or no help of information from other government agencies or public groups.

"Interior has not fully evaluated all likely impacts of the program, especially the impacts in terms of additional land expected to be leased, industry competition and small company participation in lease sales, long-range revenue receipts and impacts on the economy," the report said.

Mr. Watt earlier this month ordered a major refinement of his heavily criticized plan to make

bling, to about \$5.10, in the price for offshore gas drilled in more than 300 feet of water.

The moves could mean that deep drillers would be able to get more for their gas before any decontrol legislation would take effect. Analyst Barry Sahgal of Bache Halsey Stuart Shields said that the commission's moves may be a signal that the Reagan administration prefers regulatory decontrol to new laws, adding that the last major legislation on gas pricing, the Natural Gas Policy Act of 1978, took three years to get through Congress.

The impact of the offshore increase is not clear. There is little data available on how much gas is produced from 300 feet of water or more. And many of the companies with major drilling operations in the sea, such as Mobil and Texaco, may be too big to realize a substantial per-share earnings increase from the commission move.

Onshore, gas abounds between 10,000 and 15,000 feet in the Anadarko Basin of Oklahoma and Texas. The major oil companies also drill there, but so do a number of smaller companies.

Apache Oil produces 26 percent of its gas from below 15,000 feet, with the balance coming from what the commission calls the "intermediate deep" zone of 10,000 to 15,000 feet. Apache Vice President Henry Set said he doubts that the commission would apply the rule to gas flowing from current wells. But Apache has 70 locations close to producing wells in the intermediate-deep zone that it has not chosen to drill at lower prices. These will be drilled, Mr. Set said, if the commission rule is adopted.

Mr. Sahgal said Apache's net could gain 50 cents to a \$1 a share

above his current \$1.90 estimate for 1982 under the commission proposal.

Dycos Petroleum, another Anadarko driller, also would benefit, Mr. Sahgal said. Dycos officials could not be reached for comment, but Mr. Sahgal said its profile of deep producing is close to Apache's. He forecasts 1982 earnings for Dycos of \$2.50 a share, which does not take into account the proposed commission rule.

No Immediate Gain

William Dutcher, vice president for finance at GHK Inc., one of the largest deep gas drillers active in the Anadarko, said that the gains in earnings from the new rule would not begin to flow until late 1982 and 1983, because it takes about seven months to complete a well and hook up the wellhead to a pipeline.

Mr. Dutcher said that currently gas strikes about 15,000 feet in the Anadarko sometimes are ignored, as drillers keep going to find the higher priced gas below 15,000 feet. In addition to Apache and Dycos, he identified Amarex Inc.

as a company heavily involved in the Anadarko as a partner in GHK projects.

Bruce Lazier, an analyst with Paine Webber, said that 80 percent of the production of Woods Petroleum and May Petroleum comes from the intermediate deep zone. Because the commission proposal likely would apply only to new drilling, Mr. Lazier said it is difficult to tell how much each company would benefit in earnings. Mr. Sahgal expects May to earn \$1.70 a share in 1982.

Last week, Mr. Lazier created a computerized projection of which companies would benefit most in per-share earnings from an increase in intermediate zone prices based on current production. On the top of his list was Pogo Producing, followed by Eastern Panhandle and one major company, Texaco.

This ranking would not apply necessarily if the commission proposal covers only new drilling, as seems likely, Mr. Lazier said in any case, however, his list would be a good indicator of those companies that stand to benefit most.

AT&T Seeks U.S. Approval For Televised Conferences

WASHINGTON Post Service — American Telephone & Telegraph Co. is seeking permission to market a new televised-conferencing service that would begin operations between Washington and New York next March.

The service, to be known as "Picturephone Meeting Service," will be available in 16 cities next year and 42 cities by the end of 1983, AT&T said in documents filed last week with the Federal Communications Commission.

AT&T said the service would be available in public rooms in the 42 cities or through private teleconferencing rooms that AT&T is offering to construct.

A one-hour conference between public rooms in Washington and New York would cost \$1,340, while a meeting between private rooms served by AT&T in those cities would cost \$600.

Installation of private facilities would cost \$124,800 in addition to monthly fees of \$13,240 and a monthly charge of \$250 a mile for connecting each room to AT&T facilities.

The service will be in full color, and the sets could show graphics, copy images displayed on a screen and tape either the incoming or outgoing pictures.

The company announced last spring that it would replace its limited black-and-white "Picturephone" system, which ended last June, with the more sophisticated service described last week. Although the results from that sys-

tem did not match the fanfare it attracted when introduced nearly 20 years ago, the high costs and difficulties of travel have made the system more attractive.

A number of large and small concerns have gotten into the business, providing similar services for hotel chains and other businesses. Satellite companies and other communications concerns also have been studying teleconferencing as a way of lowering the high cost of installing studio facilities.

Pakistan Eases Press Censorship

ISLAMABAD — President Mohammed Zia ul-Haq on Monday exempted literary and research magazines from the press censorship that he imposed in October, 1979. He announced the move at a writers' conference here, but said that censorship on other magazines and all newspapers would continue.

In a joint resolution issued Sunday, the Pakistan Federal Union of Journalists and All-Pakistan Newspaper Employees Confederation criticized the continuation of press censorship, saying there was a "virtual state of siege around the press" in Pakistan.

On Sunday, authorities in Pakistan's Punjab province banned an Urdu-language weekly, Chhatan, for not submitting its edition of Dec. 21 to censors.

Eurocurrency-Interest Rates

Table with columns for currency (Dollar, Swiss Franc, Deutsch Mark, French Franc, ECU, SDR) and interest rates for various terms (1M, 3M, 6M, 1Y).

Selected Over-the-Counter

Table listing closing prices for various commodities and currencies as of Dec. 28, 1981, including items like Gold, Silver, and various metals.

Other Stock Markets

Table showing stock market indices and prices for Amsterdam, Hong Kong, Singapore, Tokyo, Milan, Brussels, Frankfurt, and Zurich.

Large advertisement for International Herald Tribune with the headline 'PUT YOUR MONEY WHERE THE NEWS IS.' and contact information.

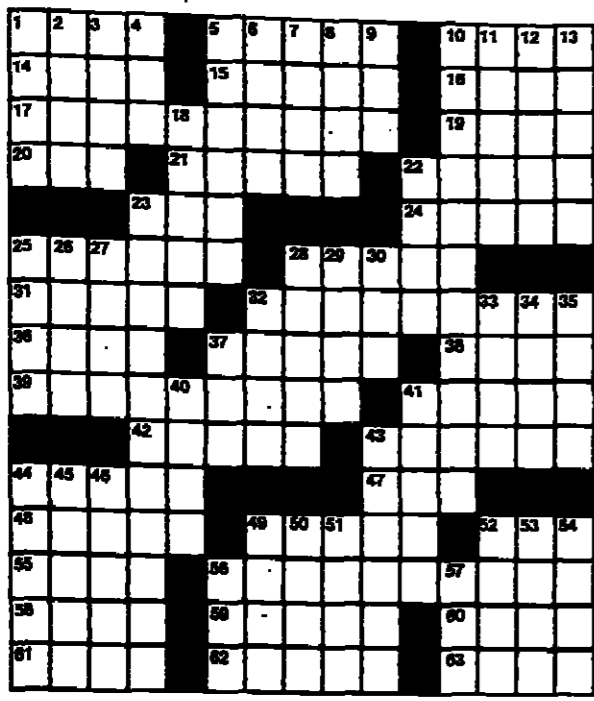
Advertisement for Paris Commodities, listing various goods and their prices.

Advertisement for PORTNAX DEVELOPMENT LIMITED, providing details about their stock offering.

Advertisement for OECD Cites Rise Of 54% in '81 on Capital Markets, discussing international capital markets and bond offerings.

Large advertisement for Krugerrand gold coins with the headline 'NOBODY WILL EVER KNOW THAT YOU MADE A FAVOURABLE INVESTMENT IN KRUGERRANDS.' and detailed information about the coins.

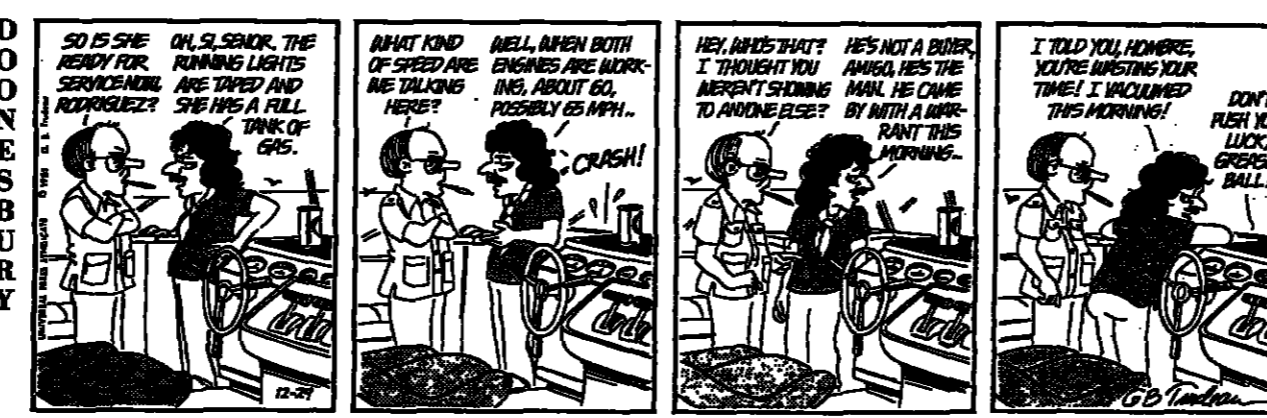
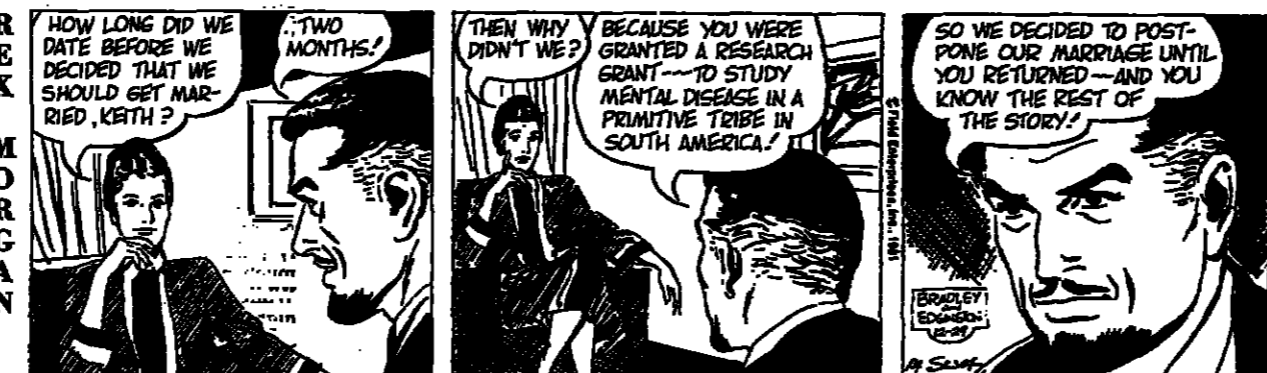
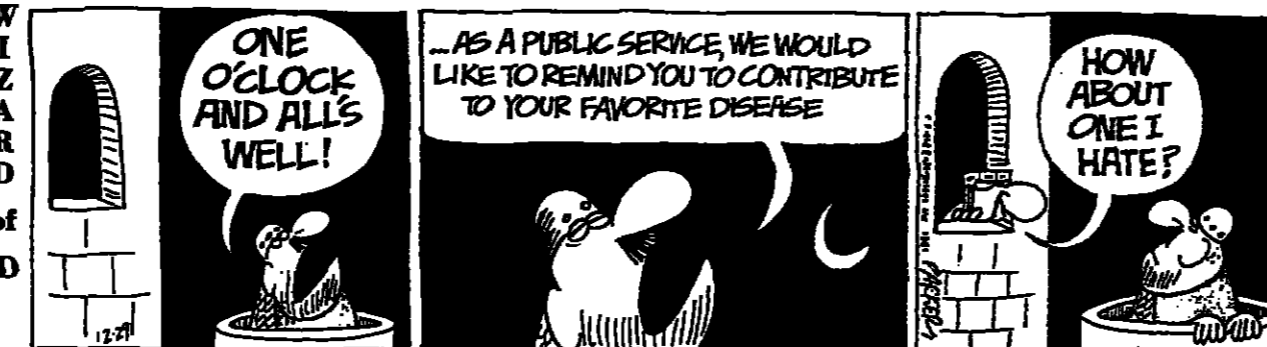
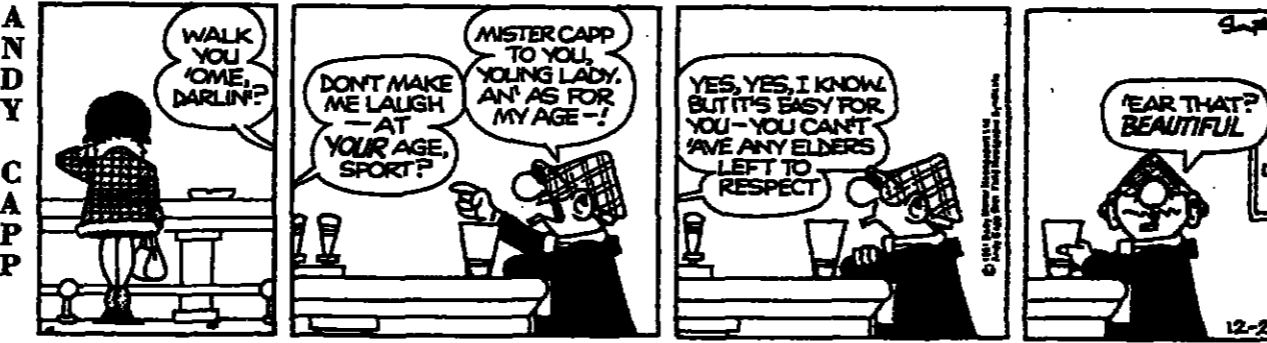
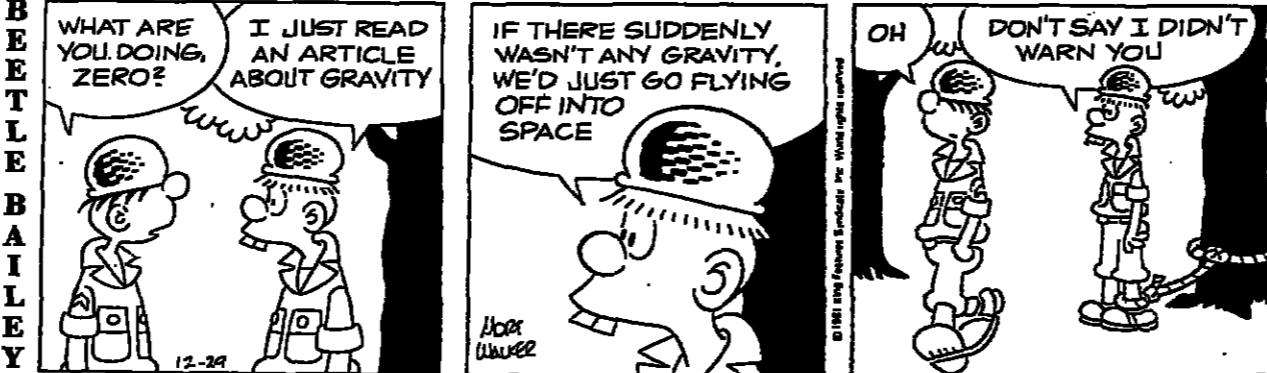
CROSSWORD Edited by Eugene T. Malaska



- ACROSS
1 Phone
5 Goodbye to Pedro
10 Culinary V.I.P.
14 Haughty
15 Signs
16 Corridor
17 Origin
19 Menorca is one
20 Consume
21 Role of the dog in "Peter Pan"
22 Spud
23 Afghan cat
24 Across Worth
25 Smoldering remains
26 Former Asian alliance
31 Kind of tactic
32 Protective finishes
36 Sesames
37 Exhibition
38 Hockey structure
39 Materials for Cézanne, Gauguin et al.
41 Billow
42 Kefauver
43 Emphasize
44 Type of break
47 Spanish gold
48 Growing out
49 Proportion
52 Duct
55 Part of a play
56 Center of interest
58 Central European
59 Wicker's "to Die"
60 Repute
61 Prefix for photo or scope
62 Consumer advocate
63 Type of sch.
DOWN
1 Contend successfully
2 Eldin in "East of Eden"
3 Pillage
4 Pook's "My Name Is Asher"
5 Does away with
6 Cherished
7 Electrified particles
8 Start of a Grimm story
9 Compass link
10 Confound light and dark
11 Dispatch
12 Actress Vera-
13 Spread outward
18 Harden
22 S.A. monkey
23 What Picasso deliberately distorted
25 This, to Pablo
26 Year in Paschal II's papacy
27 Gala event
28 Flavors
29 Cupid
30 Massachusetts cape
32 Weathercock
33 Tortoise's rival
34 Three-minute
35 Witnesses
37 Pose for an artist
40 Retired tennis star
41 Home
43 Free (opponent of slavery)
44 Small amount
45 Sam or Remus
46 Brazilian seaport
49 List
50 Sour
51 Gentle
52 Stringed instrument
53 Feed the pot
54 Arise
56 Aficionado
57 "Studio" of TV fame

WEATHER

Table with weather forecasts for various cities including Albany, Amsterdam, Athens, Auckland, Bangkok, Beirut, Belgrade, Berlin, Boston, Brussels, Bucharest, Budapest, Buenos Aires, Cairo, Cape Town, Casablanca, Chicago, Copenhagen, Costa del Sol, Damascus, Dublin, Edinburgh, Florence, Frankfurt, Geneva, Hong Kong, Houston, Istanbul, Jerusalem, Las Palmas, Lima, Lisbon, London, Los Angeles, Madrid, Manila, Mexico City, Miami, Montreal, Moscow, Munich, Nairobi, Nassau, New Delhi, New York, Nice, Oslo, Paris, Perth, Prague, Reykjavik, Rio de Janeiro, Rome, Salisbury, Sao Paulo, Seoul, Shanghai, Singapore, Stockholm, Taipei, Tokyo, Toronto, Vancouver, Venice, Vienna, Washington, Zurich.



JUMBLE THAT SCRAMBLED WORD GAME by Herri Arnold and Bob Lee. Includes a grid with circled letters and the answer: HE. Includes a cartoon of a man saying 'WHY THEY CALLED HIM THE CREAM OF FIGHTERS.' and another cartoon of a man saying 'I GOTTA GO TO THE BATHROOM!'.

DENNIS THE MENACE. Includes a cartoon of a man saying 'WE INTERRUPT THIS STORY FOR A SPECIAL ANNOUNCEMENT...' and another cartoon of a man saying 'I GOTTA GO TO THE BATHROOM!'.

BOOKS

THE ELECTRONIC COTTAGE By Joseph Deken. \$44 pp. \$14.95. William Morrow & Co., 105 Madison Ave., New York, N.Y. 10016. Reviewed by Joseph McLellan

COMPUTERS have not yet started to have emotions (or if they have, they aren't telling us), but in a sense they are having babies. Near the beginning of his survey for intelligent nonexperts, Joseph Deken explains the meaning of "CAD," which is an essential part of the computer's reproductive process. This curious word is an acronym for "computer-assisted design," not a slightly obsolete term of reproach, and what it means is that one generation of computers can now participate in producing the next generation - particularly in the fussy, repetitious and boring parts that are extremely important in the process but not very interesting to talented humans.

CAD is a basic element in the computer revolution that is Deken's primary subject in "The Electronic Cottage," and which has produced, in the last few years, a bewildering array of small, inexpensive, special-purpose computers that will play games with your children, regulate your home heating or security system, turn on your car ignition or tell you when the roast is ready to come out of your microwave oven. With the aid of older, clunker computers, we are now able to create a tiny silicon chip the equivalent of whole buildings full of intricately wired vacuum tubes, which were the first really functional computers three or four decades ago. A general-purpose home computer more powerful than the pioneering models used in World War II can now be purchased in about the same price range as a good high-fidelity system, and you can use it to play games, keep track of accounts and inventories in your business, draw pictures or compose music (on an elementary level).

Computer Revolution The computer revolution is still young, and though he tries conscientiously to avoid overdoing the gee-whizz material in the future tense, Deken can hardly avoid it. "Some who will soon have a computer at home which can communicate over phone lines," he says, "you will be able to subscribe to an electronic version of your favorite newspaper." That is not a dream of the year 2001: The Washington Post, like some other newspapers, is already available in a special edition for subscribers with home computers.

Some of his other predictions are a bit more futuristic - but only because society, en masse, does not work as fast as computers. Clothing, for example. Rather than buy and alter something ready-made, in the near future you may "go to the store with your measurements in explicit detail, perhaps on a cassette tape (only you and the computer will know). You put this tape in a machine at the store, and then begin to look at various offerings for this season, pictured as they would look on you." After selecting fabrics, modifications and various other op-

All of this and a lot more, presented in a readable, accessible, and often amusingly straightforward style, is available right now. The book is available in the home in simple, masterful development and marketing. An obstacle to the appearance of the electronic cottage on our landscape is the fear of computers (composed of half-remembered science fiction, schoolboy fears of math and science courses, and the basic human suspicion of anything that appears to think but is not made of flesh and blood) still widespread in the population. Deken's book is written partly to overcome that fear, though he discusses briefly but thoroughly some of the dangers implicit in the computer phenomenon. He asserts, reassuringly but not incoherently, that the computer is "the evolutionary descendant of both the pen and the engine," and on the next page insists, in large, calligraphic lettering, that "Computers Don't Hold Grudges."

Most of his text is dedicated to the philosophy of computing, to the remarkable things that can be done with these simple-minded devices (particularly when equipped with sensors and given control of machines, such as thermostats, that operate in the "real world"), and an interesting account of the various strategies that have been devised to harness computer power to human needs. Together with Frank Herbert's more brass-tacks-oriented take to home computers, "Without Me You're Nothing," "The Electronic Cottage" represents a new generation in books about computers as interesting as the new generation of computers themselves.

Joseph McLellan is a columnist and critic for The Washington Post.

Reds' Film Rekindles Interest in Reed Books

New York Times Service NEW YORK - "Reds," the movie about the love affair of the American radical journalist John Reed and Louise Bryant during the Russian Revolution, has sparked publishing interest. Bentley Books recently put out a second paperback printing of Barbara Gelb's biography of Reed and Bryant, "So Short a Time." New American Library will soon republish paperback editions of Reed's "Ten Days That Shook the World" and "Living My Life" by the feminist Emma Goldman, a prominent character in "Reds."

BRIDGE

By Alan Truscott

ALTHOUGH the number of bridge books published annually in the United States is greater than in any other country, no U.S. citizen can claim to be the most proficient author on the subject. The names of Ely Culbertson and Charles Goren suggest themselves, but they are disqualified since almost all their books were the work of other pens - and very able ones. In recent years, Hugh Kelsey of Scotland has produced a string of excellent books, despite a full-time career as a schoolmaster. But he trails two English rivals who began 20 years before him, in the 1940's, and usually produce a book a year. One of these is Francesco Mollo, whose output includes several classic works that are essential for the student of play. The other is Victor Mollo, who brings a light touch to complex problems: His articles and books about the Hideous Hog and the Rueful Rabbit earn him the top place among bridge humorists.

One Mollo book, "Card Play Technique," has been a best-seller among bridge books for a quarter of a century. He is now working on a successor entitled "Streamline Your Card Play." This will include some points of play that have never been made before, a rare feat in a field that has been thoroughly studied for half a century. It is unlikely that any expert anywhere is familiar with the subtle, deceptive maneuver suggested by Mollo on the diagrammed deal from his new book. The reader who wishes to test himself should cover the West and South hands and plan the defense to three no-trump after the lead of the spade jack. South wins the first trick with the king in the closed hand and leads a club to dummy's queen.

A straightforward auction has shown that South has about 16 high-card points, a balanced hand, no major suit. The first question for East is whether he should win the second trick with the club ace. He should win, because there is a substantial danger that a duck will give South nine tricks, with five in diamonds, three in spades and one in clubs. It is clear that East must hope for four tricks in hearts. But which heart should he now lead? One possibility is to cash the ace and king, hoping the jackpot if South began with a doubleton queen. But this would be fatal if

BRIDGE SOLUTIONS. NORTH: ♠A77, ♥883, ♦A1043, ♣Q. WEST: ♠J1094, ♥7104, ♦9, ♣108653. EAST: ♠A82, ♥A82, ♦7822, ♣A73. SOUTH(D): ♠KQ3, ♥Q97, ♦K10, ♣KJ4. Both sides were vulnerable. The deal was: ♠: A K Q J 10 9 8 7 6 5 4 3 2; ♥: A K Q J 10 9 8 7 6 5 4 3 2; ♦: A K Q J 10 9 8 7 6 5 4 3 2; ♣: A K Q J 10 9 8 7 6 5 4 3 2.

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Art Buchwald Stop the Presses! Here's Good News

WASHINGTON — There has been criticism of the press that it doesn't provide the public with enough good news. I know it's impossible to make up in one day for this falling, but here are some of the good news stories which, for one reason or another, never got into the papers.

LYNCHBURG, Va. — The Rev. Jerry Falwell told his television listeners Sunday to refrain from sending him money to continue his work for the Moral Majority. "If God cannot provide me with the funds to say no, then I'll find something else to do. Lord knows, you people need your money more than I do."

WASHINGTON — Chief Justice Warren Burger gave a New Year's party in his chambers for the television reporters and camera men who have been covering him during the past year. In a champagne toast he told them, "No public official has a right to privacy, and without television cameras, justice cannot be served."

GREAT FALLS, Mont. — Robert McAdoo, a former member of the House of Representatives, died of a mysterious disease. Investigation by health authorities indicated the sheep had been drinking water from a canal polluted by a nearby chemical company. When McAdoo protested to the company, the chairman said he would compensate McAdoo and anyone else who had thoughtlessly endangered the environment. The chairman also called for stronger government regulations so people would not have to suffer the agony that McAdoo had just gone through.

NEW YORK — Theodore Pinza, multimillionaire developer, announced the purchase of the Lost Horizon apartment building on the Upper West Side for \$10 million. He said he planned to convert the building into cooperatives selling for a minimum of \$500,000 each. A delegation of senior citizens, who were living in the apartment house, told Pinza that if he went ahead with his plans, they would all be thrown into the street with no place to live. Pinza said, "I didn't realize human suffering was involved in my project. You people have much more right to that apartment house than I do. I'll tell you what I'll do. I'll still fix it up, but you can all stay there as long as you want to, at the rents you are now paying. If a person can't do some good in the real estate business, he shouldn't be in it."

TOKYO — Tojo Okura, president of the Seppuku Automobile Company, announced that he would cut back on production and exports to the United States until Chrysler got back on its feet. At a press conference, he told reporters, "A healthy American automobile industry is essential to good relations between our two countries. Japan's prosperity should not depend on out-selling the products of our friends. I'm sure that if we were in trouble Lee Iacocca would do the same for us."

BOWLING GREEN, Ky. — Doctors at the Bowling Green Medical Research School have discovered that the human body needs twice as many desserts as was originally believed. They recommended that every person eat at least one banana split, piece of pie, chocolate cake, fruit tart, Twinkie, éclair, Oreo cookie (or their equivalent), with every meal, and at least one portion of each before going to bed at night. The head researcher, Dr. Margaret Shirley, of Bowling Green, said, "Let your eyes be the judge of what your stomach needs."

Jazz, Cars and No Nonsense

By Michael Zweirin International Herald Tribune

AMSTERDAM — Hans Dulfer sells cars during the day, plays jazz at night and has written a book called "Jazz in China," which is in Dutch and has nothing to do with China.

He does not sleep much. The later he stays up the better he feels, and mornings are lousy no matter what. But even after playing late, he sells early. "I may not be a good musician," he said with a laugh, "but I'm one of the best car salesmen around."

There are a lot of Dutch fans who would argue with the first part of that. Although his reputation has not crossed the border, Dulfer remains one of the two or three best-known jazzmen in the Netherlands. In his hands a tenor saxophone becomes a sort of weapon rather than an instrument. They call him the Dutch Archie Shepp, and a joke goes that each Opel Dulfer sells includes a Shepp cassette as standard equipment. Shepp himself once said, "Hans plays more like me than me."

Dulfer, 41, is self-taught and started with a valve trombone in his high school brass band. He was in love with saxophone honkers like Illinois Jacquet and began to tell everybody he could play a tenor until one day somebody offered him a job. He told his parents he was in trouble. That was Wednesday afternoon. They bought him a tenor and he played it Wednesday night.

With drummer Han Bennink he started a quartet that played jazz music like "I'll Talk to You in Mandarin" and "Makin' Whooie" with a lot of feeling, paying no attention to the chords. This was by necessity rather than choice. They had never learned chords. It was the early 1960s, and it was free jazz but they didn't know the name. (Now he calls it "free pop.")

One day they played with a pianist who did know chords and everything sounded funny. Dulfer turned around and said: "Man, you can't play piano." "I started to study thinking back: 'I learned the blues because I found out I was wrong, not the pianist, but by the time I learned them everybody else stopped chords and free jazz arrived. It was all backwards. Strange.'" Jazz musicians are not sup-



Dutch jazzman Dulfer: "What people like is my intensity."

posed to be successful car salesmen, let alone unambushed about it. "I liked the job from the beginning. It was '63, the car market was going up. It was easy to sell cars if you were willing to work hard. I was one of the first guys who sat down with the through the A's: 'Hello, do you need a car?'"

"It also gave me freedom to play at night and, strange to tell, one of the reasons I learned fast was because better musicians would agree to play with me since I had a car and could bring them to the job and back."

When the youth club Paradiso opened in the late 1960s, Dulfer saw that jazz was going out of fashion and rock was in. He saw a thousand kids in there every night and decided that if the jazz dance wouldn't come to jazz, he would bring it to the audience. He sold the Paradiso on the idea of jazz Wednesday, which, to ev-

good musician but I know how to listen."

He resisted his company's offer of promotion to sales manager — which would mean a drop in income from the high commissions he had been earning — until four years ago, when "I could see the car business was going down so it seemed the right time to say yes."

Meanwhile he continues to play three or four nights a week up and down this small country, with visiting Americans like trombonist Roswell Rudd, with Theo Loevendief's avant-garde quartet, with his own popular jazz-rock group the Perikels, with the Dutch rock guitarist Jan Akkerman, and he gets regular calls for rock record dates.

Letters to Editors

After woodshedding his prose technique with hundreds of letters to editors he started a column, "Jazz in China," for a Dutch jazz magazine. The book grew out of these efforts. The title comes from a chapter in which he copied a published discussion by China experts, just changing the names from Mao to Charlie Parker and so on. "They were talking nonsense and if you changed the names it was the same nonsense." The book has sold more than 3,000 copies. "Too good at publicity," Dulfer noted.

Modesty aside, he knows his strengths. "People accuse me of a power trip, of always wanting to be the leader. I've got to be careful; if I let other people pick the tunes they might pick one I don't know. But the audience sees that I always do my utmost, I always have to put in a lot of energy because I have no technical resources. What people like is my intensity."

"Sometimes it gets me into trouble. I was recently on Amsterdam radio with a panel of serious journalists discussing the squatter situation. I figured they needed a joker like me and I said that I didn't see anything wrong with throwing stones; people have been throwing stones in Holland since the 16th century so what's the big deal? After that people in my office didn't talk to me for a while. Maybe it's better to keep my intensity for jazz. But my opinion about life is like music — I can't take too much nonsense."

PEOPLE: Elvis Biographer Loses \$1-Million Lennon Deal

A million-dollar deal for a biography of slain ex-Beatle John Lennon by Albert Goldman, author of a controversial biography of Elvis Presley, has fallen through. The New York Times said the agreement collapsed because of a disagreement between Goldman's agent, John Hawkins, and Avon Books over whether Avon could publish the paperback version before a British edition comes out. An agreement with Avon, William Morrow & Co. and Hawkins called for an advance of about \$1 million, but a contract was not signed. "Elvis," Goldman's scathing biography of Presley, angered many of the late singer's fans. But Goldman in a television interview Dec. 8 said that he was more sympathetic to Lennon's life and work, and was likely to write a more favorable biography of the former Beatle. Hawkins said the book would be published in England by Granada Publishing and that he expects to work out arrangements for U.S. publication with another company.

Three members of a Canadian expedition have set a new Nepalese winter altitude record, climbing to the peak of 24,832-foot (7,525-meter) Annapurna IV. British twins David Burgess of Huddersfield, England and Alan Burgess of Calgary, Canada, along with Roger Marshall, 40, also of Calgary, reached the summit Dec. 28 after an eight-hour climb from their highest camp.

Rebutting reports that he was having an affair, Capt. Mark Phillips says he and his wife, Princess Anne, only daughter of Queen Elizabeth II, are "close enough" that they never doubt one another. Newspaper reports had claimed Phillips, 33, developed a close relationship with Angela Ripston, 34, the British Broadcasting Corp.'s first female news reader, when the two collaborated on a book about horses. Phillips denied that his marriage was on the rocks in an interview with the British magazine Woman's Own and dismissed the reports as "pure and utter fabrication."

Todd Cantrell, 12, fresh from a month of special eye treatment in Russia, is on a Southern California vacation courtesy of the Retinitis Pigmentosa Foundation of Greater Los Angeles. Todd, of Dulton, Ga., said the Soviet treatment for his ailment, which first destroyed his night vision, then peripheral vision, had helped him to see more clearly, although he planned further medical visits to Russia.

Quote — Anthony Hopkins, who plays the title role in the Hallmark Hall of Fame television production of "The Hunchback of Notre Dame," found portraying the monstrous Quasimodo a humbling experience. He said: "I spent four hours each day being made up for the role and the other eight being uncomfortable and restricted. I couldn't eat because of the make-up, and I was constantly reminded of my appearance by the reactions of the people seeing me on the set for the first time. It made me even more aware of the agony of the deformed human being with all the feelings of sadness and hurt and love that are part of being human. I learned so much from being poor Quasimodo."

The long-running hit "Annie" was the biggest profit-maker on Broadway during the 1981 fiscal year, earning \$4.3 million, and "Frankenstein" was the biggest flop, losing \$2.2 million. Robert Abrams, New York state attorney general, in his annual report on theatrical productions, said that for the fiscal year that ended last May, Broadway producers spent \$32.3 million on 121 shows, compared with \$30.5 million on 136 shows in the previous fiscal year. The production lost an overall total of \$7.6 million, compared with \$11.8 million in the last year. The five biggest profit-makers were long-running shows. In addition to "Annie," they were "They're Playing Our Song," "The Elephant Man," "Ain't Misbehavin'" and "Children of a Lesser God." In addition to "Frankenstein," the big-

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